Before The FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

JAN 1 6 1996

In the Matter of

Amendment of Part 90 of the Commission's Rules to Facilitate Future Development of SMR Systems in the 800 MHz Frequency Band

Implementation of Sections 3(n) and 322 of the Communications Act Regulatory Treatment of Mobile Services

Implementation of Section 309(j) of the Communication Act -- Competitive Bidding

PR Docket No. 93-144 RM-8117, RM-8030 RM-8029

GN Docket No. 93-252

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PP Docket No. 93-253

COMMENTS

Telecellular de Puerto Rico, Inc. ("Telecellular"), by its attorneys, submits the following comments in response to the Commission's Second Further Notice of Proposed Rulemaking ("FNPRM") released on December 15, 1995 in the above captioned dockets.

While Telecellular generally supports the Commission's proposals regarding geographic licensing for the Lower 80 and General Category channels, it is concerned with particular aspects of the proposed rules that would set aside these channels as an "entrepreneurs' block." See FNPRM, at ¶¶ 398-399.

Telecellular has organized a venture that received extended implementation authority to construct and operate a wide area system serving the island of Puerto Rico. Included under Telecellular's extended implementation authority are channels in both the Upper 200 and Lower 80 portions of the SMR spectrum.

While Telecellular will be eligible to participate in the competitive bidding for the Puerto Rico/Virgin Islands Economic

Area ("EA") licenses in the Upper 200 channels, it may not meet the financial cap restrictions to be eligible for the EA licenses in the Lower 80 channels in this same EA. Telecellular will then be faced with the anomalous situation of having EA licenses for its already occupied Upper 200 channels, but only having traditional SMR licenses for already occupied Lower 80 channels. Practically speaking, this situation will mean that Telecellular could freely expand its system throughout the Puerto Rico/Virgin Islands EA on Upper 200 channels, but could be faced with burdensome restrictions on its ability to expand on Lower 80 channels.

Accordingly, Telecellular suggests that, however financial cap limits are defined to establish eligibility to bid on the entrepreneurs' block, the final rules should include two types of eligible entities without reference to financial caps. First, any incumbent five-channel block licensee in the Lower 80 should be eligible to bid for the same five-channel EA license associated with the EA where the incumbent holds its existing license. Second, any entity with current extended implementation authority likewise should be eligible to bid for the same five-channel EA licenses associated with the existing licenses which are under such extended implementation authority, as well as for any five-channel

¹Since Telecellular would receive incumbent 70-mile protection on its already occupied Lower 80 channels even if it did not receive EA licenses for such channels, it should nonetheless be able to expand on its Lower 80 channels by showing that Puerto Rico's island geography means that no other applicant (EA or otherwise) could find land sites that meet the protection criteria. Having to make such showings, however, runs contrary to the Commission's goal of an efficient licensing process.

EA license that is adjacent to such licenses.

These additional provisions would ensure that current developers of wide area systems will be eligible to acquire the EA licenses they need for rapid and efficient build-out.

Respectfully submitted, TELECELLULAR DE PUERTO RICO, INC.

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